

Prime Minister Yitzhak Shamir sits down in the premier's chair on his first day in office yesterday, as his secretary, Yona Klimovitzky, watches. (Hanania Herman)

Marathon gov't meet yields squeeze steps

Post Economic Reporter

An effective devaluation of 23 per cent, 50 per cent hikes in the prices of subsidized products, and government guarantees for bank shares — these were the main decisions taken by the government during its marathon session which ended early yesterday morning.

Investors in bank shares holding them for five years were guaranteed the value of these securities linked to the dollar and with an annual rate of interest of 3 per cent, according to the proposed agreement between the commercial banks and the Treasury as approved by the cabinet. This will apply to shares in the hands of the public and not to those held by the commercial banks themselves. But the banks will enjoy the guarantee for shares they buy from the public.

This does not apply to future

shares issued by the banks.

The agreement enables investors holding up to IS500,000 in bank shares to deposit their shares for six years, linked to the dollar, and to get the yield of a savings scheme.

The baseline of indexation, the rate which will be used to calculate the dollar value of the shares, will be the IS65.2 rate existing last Thursday.

The government has guaranteed to lend the banks the sums necessary to make the arrangement practical.

The cabinet also decided on a 15 per cent devaluation. Together with the exchange rate changes during the two days before the cabinet meeting, the shekel was devalued by some 23 per cent altogether. The selling rate for dollars yesterday was IS82.50 at commercial banks.

The cabinet did not accept a

(Continued on Page 2, Col. 4)

2-hour strike Sunday

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Hundreds of thousands of workers throughout the country are expected to respond to the Histadrut labour federation's call for a two-hour strike on Sunday to protest against the government's latest economic measures.

The strike is likely to paralyze the production and public service sectors between 2 and 4 p.m. Schools are to be shut from 10 a.m. to noon, the Histadrut said yesterday.

This is only the first step in what senior Histadrut officials here expect to be a long, difficult struggle with the government over moves to increase prices and cut cost-of-living raises.

Histadrut Secretary-General Yehoram Meshel announced he would not discuss cuts in the cost-of-living increments even if the Treasury proposes a package deal.

Moreover, the labour federation is considering a demand for advancing the increase in the C-o-L payment. According to the present agreement, workers are due to be compensated for the price rises resulting from yesterday's decision only in the pay slips for January.

But labour federation officials said yesterday they may demand an advance at an earlier date.

C-o-L raises are due this month, too, but this is to compensate for price rises from July to September. The exact rate will be determined on Friday, when September price index is announced.

Sunday's two-hour strike was the proposal of "moderates" in the Histadrut. Throughout the day, members of the federation's rank and file and staff committee representatives phoned in to demand tougher action. At the central committee meeting, secretaries of labour councils and works committees demanded a day-long strike.

The moderates were led by the top Histadrut leaders — Meshel, trade union department chairman

(Continued on back page)

Multi-billion shekel windfall for holders of bank shares

By AVI TEMKIN
Post Economic Reporter

Holders of bank shares have gained some IS123 billion as a result of the cabinet's decision to link the shares to last Thursday's dollar value, reversing a decision taken earlier at Monday's all-night meeting.

The linkage of the shares to last Thursday's rate of shekel-dollar exchange means that the shareholders made a net gain equal to the rate of the devaluation — some 23 per cent.

The cabinet decision astonished senior Treasury officials, who felt that the government devaluation-austerity package fell far short of what the economy requires. Reports circulated yesterday that the Treasury's budget department director, Ya'acov Gadish, is planning to resign.

Treasury officials said that Aridor had promised his aides at a 5 p.m. meeting on Monday that the baseline of dollar linkage for the bank shares would be according to the rate of exchange on the first day of trade when the Tel Aviv Stock Exchange reopens. This would have meant that shareholders would have been hit by the devaluation, alongside all other holders of shekel assets.



Finance Minister Yoram Aridor drives away from the Treasury yesterday. (Rahamim Israeli)

Aridor then went into the cabinet meeting and got approval for this measure. But at 1 a.m. Tuesday, coalition chairman MK Avraham Shapira (Agudat Yisrael), who is also chairman of the Bank of Israel advisory committee, arrived at the meeting and immediately protested against the planned step.

Shapira received the support of the Liberal Party ministers and finally gained cabinet approval to change the dollar baseline of the bank shares to last Thursday's exchange rate.

Some hours after the cabinet meeting, Aridor said that he would strive to reduce the compensation that wage-earners will get for price rises. He explained that this is the only way to "break the vicious circle of inflation."

Aridor declared that work on plans for the current economic measures began six months ago and involved Treasury and Bank of Israel officials.

But some of these officials were openly disappointed yesterday by

the behaviour of their minister. "Months or maybe years of work have been wasted in two hours," said one official. Another went further, saying that every day of Aridor's presence at the Treasury means a further deterioration of the economic situation.

Some officials declared that the granting of IS123b. to investors will make ineffective not only Monday's devaluation, but also every possible devaluation in the future. "The cabinet created in two hours an obligation of IS123b. which is automatically linked to the dollar," said an official.

The officials calculated that the gains of bank share holders will encourage consumption, and that this will have an inflationary influence.

The government guarantee of the bank shares requires approval of the Knesset Finance Committee and Aridor appeared before it yesterday. But he left the session after finishing his exposition and did not hear the strong criticism of his economic policies by both opposition and coalition MKs.

Committee chairman MK Shlomo Lorincz urged his colleagues to reach a decision at yesterday's meeting, to enable the opening of trade at the stock exchange. But the Alignment wanted time for consultations and a decision was postponed.

Prices expected to climb more than 50%

By AVI TEMKIN
Post Economic Reporter

The Treasury expects consumer prices to increase by 20 per cent in October, 14 per cent in November and 12 per cent in December, senior ministry officials said yesterday.

If these forecasts are accurate inflation in the last quarter of the year will be above 50 per cent, and price rises for 1983 will be about 190 per cent.

The forecasts only take into ac-

count measures decided by the cabinet yesterday, and not future steps planned by the Finance Ministry.

Among other measures the Treasury envisages is a further hike soon in the prices of subsidized products. The Treasury wanted the cabinet on Monday to approve a 100 per cent average rise in the price of subsidized products, but only a 50 per cent increase was approved. The Treasury wants to reduce price subsidies further from

the current average of about 50 per cent to about 25-30 per cent.

Under the present cost-of-living wage agreement, workers could expect a 45 per cent raise with their January salaries. But Finance Minister Yoram Aridor has announced that he will try to reduce this figure.

Until the compensation reaches the wage-earners' pockets, real wages will undoubtedly drop due to the 50 per cent or more rise in prices expected in the coming

months. The measures decided upon by the government have already wiped out a large part of the C-o-L raise of about 20 per cent to be received by workers with their October wages.

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- Evaluating bank shares (Page 6).
- Belated action (Page 6).

U.S. approves Lavi wings and tail production

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — The Reagan administration has finally approved licences for the development in the U.S. of the wings and tail for Israel's new generation Lavi fighter aircraft.

The administration, however, has not yet approved another request put forward by Grumman Aircraft Corporation for the actual production of the wing and tail in Israel.

Aircraft Industries representatives in Washington are still hoping that the administration will allow the transfer of the technology so that production of the wings and tail can eventually be moved to Israel.

At the same time, the administration has still made no commitment about allowing Israel to use some of its annual U.S. foreign military sales credits in the Lavi programme.

The administration was supposed to have sent to Congress the Grumman-requested licences last

month, following a routine 90-day review at the Pentagon. But the approval was delayed until last Friday, leading to some heightened concern among Israeli officials that the U.S. Defence Department was still trying to undermine the entire Lavi project.

The licences will enable Grumman to go ahead with the initial phase of a contract it made with IAI worth nearly \$125 million over the next four years.

\$ sales return to normal

Jerusalem Post Reporter

TEL AVIV. — The rush to buy dollars has evidently ended. Banks reported little pressure yesterday, and only slightly more customers than on a normal day, indicating that most persons think that the latest devaluation, of 23.5 per cent, is the last for some time to come.

The dollar rate was set at IS82.53, but in the black market on Rehov Lilienblum the dollar went as high as IS90.

Bankers think that the public may soon begin selling the dollars they bought for speculative purposes as soon as the stock exchange opens, thus ending the flight from the shekel.

Stock exchange still closed

Jerusalem Post Reporter

TEL AVIV. — The Tel Aviv Stock Exchange will remain closed today, and expectations are that it will not reopen for trading until Sunday. But some members of the Knesset Finance Committee are pressing for a re-opening tomorrow.

Many individuals would like an early re-opening of the exchange so that they may liquidate some investments to cover pressing payments, including tax payments which were due on October 10. But, it is understood that the board of directors of the exchange prefers postponing the re-opening until orderly trading conditions are more likely to prevail.

Haddad stepping down 'temporarily'

By MENAHEM HOROWITZ
Jerusalem Post Reporter

METULLA. — Major Sa'ad Haddad announced yesterday that he is stepping down from his post as commander of southern Lebanon for a limited period, because his doctors have advised him to rest. He did not say how long he would be staying away from the job.

Haddad said he would appoint someone to stand in for him and stressed that he would remain in

southern Lebanon and would stay close to events there.

He denied rumours to the effect that he is suffering from cancer.

Haddad emphasized that there was no friction between him and Israel Defence Force officers, and he thanked Israel for the help it has provided the Lebanese people, and him personally, over the last seven years.

"Israel doesn't abandon friends and never will abandon them," he said.

Weizman said broached to replace Aridor

By MARK SEGAL
Post Political Correspondent

Ezer Weizman's name has featured prominently in internal Likud discussions on the succession to Finance Minister Yoram Aridor, as the party leadership has finally reached the conclusion that Aridor must go if the Likud is to stay in office.

Senior Herut sources say that Aridor's fumbling of the latest economic shock proposals, and the consequent panic buying have made his replacement inevitable, and

Prime Minister Yitzhak Shamir is said to be under mounting pressure to dump him.

The initiative to call in the former defence minister apparently came from a faction in the Liberal Party that sought to block prospects of its party's presidium chairman, Energy Minister Yitzhak Moda'i, of reaching the Treasury. This initiative sparked off a chain reaction of support among a broad body of Liberal and Herut MKs for the Weizman option.

(Continued on Page 2, Col. 2)

Israel decries Australia as 'soft on PLO'

By DAVID LANDAU
Post Diplomatic Correspondent

Israel has expressed its "sorrow" to Australia over what it sees as "deviation" from Australia's traditionally sympathetic policy on the Middle East conflict. Australian Ambassador David Goss was summoned to the Foreign Ministry here yesterday to be told of Israel's feelings in the wake of a Middle East policy statement published recently by Australian Acting Foreign Minister Lionel Bowen.

Most distressing to policy makers here is the new directive issued by Bowen to his ambassadors around the world that they may include "authorized PLO representatives in their range of political contacts."

The Australian minister stressed in his policy statement that Canberra does not recognize the Palestine Liberation Organization and will not do so unless the PLO recognizes Israel. He also acknowledged that so long as the PLO does not

recognize Israel it would be difficult or impossible for the PLO to take part in the peace process.

Despite these reservations, however, Jerusalem was upset by what it perceives as a shift towards the PLO. Ambassador Goss was told by senior Foreign Ministry aide Eliashiv Ben-Horin that the timing of Australia's move was regarded here as particularly unfortunate — "just when the standing of the PLO is declining world-wide."

The Australian policy statement, while reaffirming Canberra's commitment to Israel within "secure and recognized boundaries," goes on to "acknowledge the right of self-determination of the Palestinian people including their right to an independent state if they so choose." This is hedged, though, by the requirement that "the people of the region" be involved in deciding this issue.

Ben-Horin also spoke against Australia's decision to enable the

Arab League to open an office in Australia. Experience showed, he warned, that these offices are fronts for anti-Israeli incitement and sometimes serve as cover for terrorist acts against Israeli targets.

The ambassador noted that his government is traditionally forceful in preventing accredited foreign legations from carrying on hostile political activities against each other. His ministry stepped in recently, he said, to curb Iranian Embassy activities against the Iraqis, and also to rein in a Chilean-Argentine dispute conducted by the respective embassies in Australia.

Australian sources said the "change of emphasis" reflected the accession to power of the Labour party. While Premier Bob Hawke himself has always been a solid supporter of Israel, strong forces within his party have fought for years for a more sympathetic party line towards the Arabs, particularly the Palestinians.



Among the bank officials at the press conference in Tel Aviv yesterday are (left to right) Giora Gazit of Hapoalim, Ernest Japhet of Leumi, Raphael Recanat of Discount, and Mordechai Einhorn of Leumi. (Gil Handy)

Banks urge public: Hold on to shares

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The heads of the five largest banks in Israel, which dominate the banking industry, yesterday took the unprecedented step of holding a joint press conference, to plead with the public: "Don't sell your bank shares — which are now bonds."

They gave several reasons for holding on to the bonds. First, after five years they will be 100 per cent linked to the dollar — and not 85 per cent as had been reported. (Later it was explained that the mistake arose from the fact that these bonds bear only 3 per cent interest a year, and not 6 per cent, which most dollar bonds give. Thus it is as if the basic price of the bond is 86 per cent compared with other types of bonds with a nominal value of 100 per cent.)

The second reason is that these bonds are guaranteed by the government and are therefore one

of the safest investments; third, the mutual funds and provident funds will soon receive permission to enlarge their non-index-linked holdings, and they will probably also buy the bonds in preference to other investments.

If all this is taken into consideration, and since the bonds are linked to the dollar price of October 6, they might even rise in price in shekels when traded at the next stock market session, if the 23.5 per cent devaluation since October 6 is taken into account. However, much depends on "crowd psychology" and any massive dumping of these shares would necessarily lead to their fall, the banks said.

Those investors who decide to freeze their bonds for six years, and thus allow them to assume the nature of an ordinary index-linked savings scheme, can do this only for IS500,000. But this limit is something of a fiction, for it applies to every person, said Giora Gazit,

head of Hapoalim. "Thus, a family of four could invest IS2 million in such a scheme." This is the arrangement with present savings schemes, and there is no reason to believe that the new scheme will be any different.

Gazit noted, however, that the arrangements with the Bank of Israel and the Finance Ministry have been reached only in "general terms," and the exact details have yet to be worked out and approved by the Knesset.

Queried whether the new arrangement with the government is tantamount to "nationalizing the banks," Gazit noted that the authorities have firmly promised that they have no such intention. "Moreover, the banks are really owned by hundreds of thousands of shareholders — and this would mean depriving them of their investments," he added.

The arrangement reached with

the government applies only to the four large banking groups — Leumi, Hapoalim, Discount and Mizrahi — and not to First International. The head of the latter bank, Sadik Bino, noted that "there was no reason for us to join. We never regulated our own shares, and we think we can continue to be more profitable by not having our shares transferred into bonds."

Ernest Japhet, head of Leumi, and Raphael Recanat, head of the Discount group, explained how the banks had gotten into a situation where the government had to "bail them out." Japhet pointed out that for the past few weeks, the economy failed to develop along lines favourable to the bank shares. The public saw that their worth was being eroded and that there was money to be made by selling these shares, converting the funds to foreign currency accounts (Patam), and waiting for a massive devaluation.



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The weather at major Swissair destinations

11.10.1983

	MIN.	MAX.	C F
AMSTERDAM	8	14	57
BRUSSELS	5	10	50
BUENOS AIRES	8	16	50
CHICAGO	2	10	50
COPENHAGEN	4	12	50
FRANKFURT	10	15	50
GENEVA	7	15	50
Helsinki	4	10	50
HONG KONG	24	28	84
JOHANNESBURG	10	23	72
LISBON	14	24	72
LONDON	9	14	57
MADRID	11	27	81
MONTREAL	1	13	55
NEW YORK	12	18	55
OSLO	4	10	50
PARIS	10	17	55
RIO DE JANEIRO	19	25	85
SAO PAULO	18	24	75
STOCKHOLM	5	11	50
TORONTO	9	14	57
TORONTO	4	12	55
VIENNA	10	18	55
ZURICH	5	11	50

* For the latest weather conditions, contact Swissair.

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THE WEATHER

Forecast: Partly cloudy to clear.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	42	13-25	25
Golan	38	14-26	26
Nabatyia	38	14-26	26
Safad	50	14-24	24
Haifa Port	63	20-26	26
Tiberias	53	16-32	32
Afula	54	16-26	26
Nazareth	48	16-27	27
Shomron	51	18-26	26
Tel Aviv	59	18-26	26
B-G Airport	56	17-28	28
Jericho	40	19-33	33
Gaza	64	19-33	33
Beersheba	16	16-29	29
Eilat	27	21-32	33

SOCIAL & PERSONAL

Knesset Speaker Menahem Savidor yesterday met with the president of the Flemish Liberal Party (Belgium), Guy Verhofstadt. He also saw a delegation of U.S. senators from the state of Washington, who are in the country as guests of the Ministry of Foreign Affairs.

Rotary district governor Tuvia Labi will be the guest speaker at the weekly meeting of the Haifa Rotary Club, Nof Hotel, at 1 p.m. today.

Dr. Asher Kaufman of the Hebrew University will speak on "The Mystery of the Temple Mount" and show slides at the weekly meeting of the Jerusalem Rotary Club, at 1 p.m. today at the YMCA.

The Jacob and Claire Diller Wing in the Hebrew University's School of Education on Mount Scopus was dedicated yesterday in the presence of Sanford Diller of Los Altos Hills, California, who established the wing (with his wife) in honour of his parents. University chancellor Avraham Harman chaired the ceremony, which included a luncheon in Mr. Diller's honour at the Maitersdorf Faculty Club.

Ruth and Leon Gildesgame of Mount Kisco, New York, visited the David Yellin Teachers College yesterday where they were guests of college dean Dr. Norman Schanip. Mr. and Mrs. Gildesgame are longstanding friends and benefactors of the college.

ARRIVALS

Among American participants in the Jerusalem Post "Behind the Headlines" tour of Israel are Mr. Albert Austrieh and Miss Martha Austrieh, Mr. and Mrs. Akiva Krieger, Mr. and Mrs. Irving Pudelov, Mr. and Mrs. Charles Yates, Ms. Doris Ward, Ms. Gladys Stuart, Ms. Beatrice Karner, Ms. Carol Lasker and Ms. Honey Wolgast.

DEPARTURES

Emunah World Chairman Eva Adelman, Vice-Chairman Anne Oster and British Emunah President Guggi Grahame, to England for the 50th Anniversary Celebration of Child Resettlement Fund-Emunah of Great Britain and Ireland.

Jemayel and Jumblatt still at odds over site

Jerusalem Post Staff and Agencies

BEIRUT. — Lebanese President Amin Jemayel and his opponents refused to back down yesterday on a site for a "national reconciliation conference," dimming hopes for a quick opening of the talks.

Reports from Damascus, meanwhile, said the Lebanese army's highest-ranking Druse officer held a news conference to announce he was defecting to the opposition force.

Western reporters, however, said that though Maj. Gen. Nadim Hakim went to an army barracks in rebel-controlled territory, he did not announce he was defecting.

The latest impasse over the site for the long-awaited reconciliation meeting came a day after Syria, which backed Walid Jumblatt's opposition forces in Lebanon's three-week civil war, tentatively approved Jemayel's proposal to hold the talks at the presidential palace outside Beirut.

But Jumblatt rejected the palace as a site, and Jemayel's administration quickly turned down the Druse leader's alternative for a meeting on a Greek ship anchored offshore.

"Mr. Jumblatt must be joking," said a government spokesman.

(In Jerusalem, meanwhile, U.S.

HOME AND WORLD NEWS

Israelis celebrate 'consumers day'

Compiled from reports by YITZHAK OKED, AARON SITTNER, CHARLES HOFFMAN, and LIORA MORIEL

Yesterday was the day of the consumer — at the corner grocery, the supermarket, the department store and the petrol stations.

As Oded Yas'ur, manager of Jerusalem's Shekem department store, put it at midday: "The rush began early in the morning, and there is no sign of let-up. Most of the traffic is downstairs, in the food section. But it's spilling over into the electrical goods department, too. We have already run out of flour and frozen poultry."

Most supermarkets in Jerusalem, Tel Aviv and Beersheba were crowded yesterday, with long lines at the pay counters and shopping carts filled to overflowing with basic goods.

A manager at Supersol on Jerusalem's Rehov Agnon said that most of the attention was focused on "things like flour, bread, cooking oil and dairy products."

Supersol in Tel Aviv, according to the chain's head of marketing Mordechai Kreiner, said that as a public relations gesture, the chain was selling all existing stocks of rice and sugar at the old prices. The stocks sold out within hours.

In Beersheba, many grocers and electrical good shops remained shut yesterday because of the uncertain situation. But in supermarkets, people pushed around carts loaded with frozen meat. The mood in town was sombre, and as one restaurant owner put it, it would be a good idea to buy dollars at any price because



Shoppers crowd a Tel Aviv supermarket yesterday in anticipation of today's price rises. (IPPA)

"they're killing us." Queues formed all morning around the country at petrol stations, as drivers anticipated the introduction of the new, 23 per cent higher fuel prices.

According to the Energy Ministry spokesman, the original aim had been to put the new prices into effect by 7 a.m., immediately after the end of the cabinet session. But

technical problems obtruded and the deadline was put off until 11 a.m. and finally to 1 p.m.

In Jerusalem, queues were sometimes hundreds of metres long, and some stations ran out of petrol. Unofficial reports said 26 of the country's 420 petrol stations went dry.

Many of the stations proved unable to start selling at the new prices at 1 p.m., because the fuel company

technicians had not arrived to read-just the meters.

Israel Stricks, secretary of the Association of Agents and Service Station Owners said he hoped that by this morning all the stations would be in operation with readjusted meters.

Asked to describe the situation in the stations yesterday, he said: "It was wild and crazy, thank God it's all over."

Aridor wanted devaluation of 36%, smaller subsidies

By ASHER WALLFISH, Post Knesset Correspondent

Finance Minister Yoram Aridor was alone at the cabinet's marathon session Monday night in demanding a much larger devaluation and much smaller subsidies on basic commodities. But his isolation does not mean that his possible departure from the cabinet is imminent, informed sources said last night.

Aridor demanded a devaluation of 36 per cent and the reduction of subsidies to 25 per cent of prices at the cabinet meeting.

But, a strange alliance between Liberal Party ministers and Avraham Shapira, the Agudat Yisrael MK who is coalition chairman and chairman of the Bank of Israel advisory council, resulted in a devaluation of only 23 per cent and maintenance of subsidies averaging 50 per cent.

When Aridor saw his colleagues were against him, he demanded a cabinet vote so that he could put his stand on official record.

Industry and Commerce Minister Gideon Patt (Liberal) said that a vote would be inadvisable, and suggested that Premier Yitzhak Shamir sum up the consensus in his own words for the record.

Aridor objected to this, and in an apparent move to threaten resignation, or alternatively a refusal to present cabinet policy to the nation, he asked Shamir to let him make a statement. But Shamir put his foot down and told Aridor that he and the Bank of Israel governor would explain the cabinet's decisions to the nation. Aridor toed the line.

Another revolt which came to nothing was by Energy Minister Yitzhak Moda'i, who exchanged harsh words with Aridor earlier in

the cabinet meeting.

After Aridor proposed a 36 per cent devaluation, Moda'i said it was much too high and suggested 17 per cent. Then Aridor accused Moda'i of chopping and changing all the time because he had allegedly demanded a big devaluation a few days earlier.

Moda'i, not to be outdone, accused Aridor of "causing a national economic catastrophe." He said: "You are to blame for all our economic troubles."

Aridor then turned towards Moda'i, put on a broad smile, and looked at him in a mocking manner as though to indicate contempt. This angered Moda'i, and he stalked out of the room, absconding himself for about an hour.

According to one source, Moda'i also consulted with Attorney-General Yitzhak Zamir on the cor-

rect procedure for tendering his resignation. But then he turned up once again at the session, following intervention by Deputy Premier David Levy (according to one source) or as a result of advice from some of his Liberal allies (according to another source.)

Some Cabinet sources have the impression that Shamir has no intention of dropping Aridor until the effects of the marathon session are evident and that he would not like to make any personnel changes for the next fortnight at least. The sources say Shamir would not like to make a fool of himself by dropping Aridor a couple of days after running him on his new cabinet slate.

But Shamir is said to have only limited respect for Aridor's maturity.

Dissident Begun's trial to start tomorrow

MOSCOW (AP). — Friends of Jewish dissident Yosef Begun reported yesterday that his trial on charges of anti-Soviet agitation and propaganda will start tomorrow.

Begun, 51, who was exiled to Siberia in the 1970s, has been held since he was arrested on November 6, 1982. Several times since, Soviet sources have said, a trial date was set only to be postponed.

Begun first applied to emigrate to Israel in 1971, but his request was turned down because of his work as an electronics engineer and in radio-electronics research. Soviet authorities said he had access to secret information through his

employment and therefore could not emigrate.

Begun was arrested in March 1977 and held for 10 days after trying to deliver a document on alleged illegal activities of the KGB secret police to the U.S. Embassy.

He was also given a total of five years' exile in eastern Siberia on two separate convictions in the late 1970s on charges of "parasitism" and violation of internal passport laws.

A conviction on charges of anti-Soviet agitation and propaganda carries a maximum sentence of seven years in a labour camp plus five years internal exile.

Tulkarm kadi confined to town for subversion

Jerusalem Post Reporter

The kadi of the Tulkarm district, Sheikh Hamed Hdeir, has been placed under town arrest for unspecified illegal political activities.

The president of the Supreme Moslem Council in Jerusalem, Sheikh Sa'ad a-Din al'Alami, yesterday asked Defence Minister Moshe Arens asking for permission to serve the Moslem community in the Tulkarm area instead of Sheikh Hdeir.

W. Bank seminar on non-violent struggle

Jerusalem Post Reporter

A group of Palestinian academics in the West Bank is planning a seminar on "Non-Violence in the Palestinian Struggle," according to sources in East Jerusalem.

The seminar, due to begin tomorrow, is to be held each afternoon through Saturday at the YWCA in East Jerusalem. It is being described as a new phase in the Palestinian movement, reflecting an accommodation with the changed reality in the Middle East. The participants are said to remain committed to the aim of an independent Palestinian state, but endorse the idea of non-violent struggle.

According to one East Jerusalem source, it is hoped that the seminar could give rise to a Palestinian movement similar to peace Now.

SCHOLARSHIPS. — Twelve grants, totalling IS60,000, were yesterday awarded by the western Galilee representative of the Arab affairs adviser at the prime Minister's Office to Arab students from the area.

WEIZMAN

(Continued from Page One)

Contacted at his Caesarea home by phone last night, Weizman was characteristically cordial but declined to comment.

It is understood that Weizman told the Likud politicians who approached him that he was only interested in one of three senior posts — defence, foreign affairs or finance — and would be willing to serve under Shamir in any of those capacities. Senior Herut sources noted that Tehiya's opposition ruled

out co-opting Weizman to either the defence or foreign affairs portfolios.

These sources related that Shamir has not yet committed himself in responding to his colleagues' approach regarding Weizman. He is thought to be waiting to sound out party opinion on the matter.

The Herut sources pointed out that Weizman has one superb quality: a gift for communication with the public and a charismatic personality, qualities sadly lacking in the present finance minister which may well lead to his downfall.

Aridor last night disclaimed any knowledge of the reported Likud contacts with Weizman. Interviewed on TV, he said he enjoys the "full support" of Shamir. Smiling, he added that "I ought to regard anyone not wanting me as finance minister as a good friend — it's a hard job."

TRAINING. — About 5,000 Arab students are enrolled this year in programmes of advanced vocational training, as compared with 2,500 enrolled five years ago.

Egypt rejects Shamir call to resume autonomy parley

CAIRO (AP). — Egypt yesterday rejected a call by Israeli Prime Minister Yitzhak Shamir for resumption of Palestinian autonomy talks in their old framework and demanded Israeli "flexibility" to encourage the Palestinians and Jordan to join in.

Commenting on Shamir's policy statement in the Knesset before taking office on Monday, Foreign Minister Kamal Hassan Ali also said it was "regrettable" that the new government should start its tenure with a renewed commitment to continued building of Israeli settlements in the West Bank and Gaza District.

Ali disputed Shamir's contention that Egypt was responsible for the breakdown of Israeli-Egyptian-American negotiations on Palesti-

nian autonomy in early 1982. "Egypt did not halt the autonomy talks," Ali told reporters. "The talks stalled because they had reached a dead end as a result of Israel's wrong interpretation of the Camp David provisions on autonomy."

Ali said the continued suspension also was due to other Israeli practices such as "the bombing of Iraq's nuclear reactor, the annexation of East Jerusalem and the Golan Heights, the invasion of Lebanon, aggressive measures in the West Bank and Gaza, the continued establishment of settlements there and the dismissal of (Palestinian) mayors."

All of this led Jordan and the Palestinians to shy away from participating in negotiations," Ali added.

TODAY'S PRICES

	Old price	New price
	IS	IS
Standard dark bread	6.70	10.10
White bread	8.60	12.90
Chala	9.80	14.70
Sliced wrapped white bread	24.40	33.20
Dark (standard) flour	27.50	35.30
White flour	29.50	38.20
Margarine (200 gram packet)	8.80	13.20
Margarine (250 gram container)	12.70	19.10
Oil (soy, 630 gram bottle)	25.80	38.70
Oil (soy, 1,000 gram plastic bottle)	43.50	65.50
Frozen Meat (per kilo)	192.00	269.00
Breast	282.00	395.00
Shoulder roast	231.00	324.00
Ground meat	36.20	44.50
Petrol 91 octane (litre)	41.50	51.10
Petrol 96 octane (litre)	28.80	35.40
Diesel fuel (litre)	29.80	36.70
Kerosene (litre)	474.78	584.35
Cooking gas (12-kg. cannister) not including VAT	10.683	13.140
Heavy fuel for electricity (ton)	11.635	14.311
Heavy fuel for industry (ton)		

Banks may be prohibited from manipulating market shares

By ASHER WALLFISH, Post Knesset Correspondent

The pricking of the bank shares bubble may bring further damage to the country's banks in the form of a new law to get them off the back of the stock exchange.

Several ministers said at the all-night cabinet session which preceded the Tuesday morning devaluation that the banks' manipulation of their shares on the stock exchange was the root of the evil, and that it must never be allowed to recur.

Ministers said that banks and bank affiliates must be prohibited by law from buying and selling their own stock to regulate its price, and

that bank employees must be prohibited from advising the public with regard to investments on the stock exchange.

Ministers especially criticized the manner in which Bank Hapoalim managed the stock market. It is generally accepted that Bank Hapoalim, in 1972, was the first bank to regulate the price of its shares by buying and selling.

Justice Minister Moshe Nissim has already called a meeting for this week of legal and financial experts from his own ministry, from the Treasury, and from the Bank of Israel, to study the issue, Justice Ministry spokesman Yitzhak Feinberg said.

Large families, poor get special compensation pay

By CHARLES HOFFMAN, Jerusalem Post Reporter

Large families at all income levels will benefit from special compensation planned by the National Insurance Institute, following the government's new economic measures. Until now, compensation at such times has included only low-income groups among the aged, the disabled and families on welfare.

The NII spokesman said last night that Labour and Social Affairs Minister Aharon Uzan instructed the NII to make preparations to pay large families (those with four or more children) and low-income groups a special increase of 12 per cent in their monthly benefits to compensate them for the price rises devalued, early yesterday, by the cabinet.

The proposal requires the approval of the NII council, the Treasury and the Knesset Labour

and Social Affairs Committee before it can be implemented. If the extra payment is approved, it will be made to large families on the 20th of the month and to the other groups on the 28th.

According to the proposal, a single old-age pensioner would get IS12,300 instead of IS10,000 this month, and a family with four children would get IS10,000 as its monthly children's allowance instead of IS7,440.

Special payments for low-income groups compensating them for price rises are usually made only when the Consumer-price-index rises by 5 per cent or more in one month. This compensation mechanism has never included large families.

The NII is also seeking to raise the basic level of benefits to these groups, since their buying power has been extensively eroded by inflation.

Manufacturers call for more measures

By MACABEE DEAN, Jerusalem Post Reporter

TEL AVIV. — The presidium of the Manufacturers Association, meeting yesterday in extraordinary session, ruled that the latest steps taken by the authorities have "indeed saved the capital markets from collapse," but have done "little to solve the problems of the productive sector."

Unless the cost-of-living allowance is neutralized, the massive devaluation of the shekel will only start another inflationary spiral, the

manufacturers said. The workers would receive higher cost-of-living allowances, and the gap between the foreign currency earnings of industrial exporters and local costs of production would remain large.

The industrialists called on the government to draw up an overall plan to revitalize the economy with its objective being "healing the productive sector, so that profitability from exports would grow significantly, thus encouraging the growth of the productive sector."

Sharir: Use devaluation to boost tourism

By HAIM SHAPIRO, Jerusalem Post Reporter

Tourism Minister Avraham Sharir yesterday called upon the tourist industry to utilize yesterday's devaluation to bring more visitors from abroad and attract more Israelis to local resorts.

The increased value of the dollar, he noted, can be used to improve the profitability of tourism as an export commodity, increasing the country's foreign currency reserves. He called upon all branches of the industry to lower prices to make the country more competitive.

Sharir also ordered his staff to initiate an immediate inquiry into the

possibility of cheapening the total tourist package. (Such a move, however, would involve unlinking tourist services from the dollar rate to which most are linked. And this would incur massive resistance.)

As for internal tourism, the minister warned hoteliers to be ready for a wave of Israeli guests, who would abandon plans for trips abroad because of the higher price of foreign currency. The resorts should welcome the Israelis with better service and more reasonable prices, Sharir said.

He also announced that the ministry is preparing a programme of cheap holiday packages for Israelis for the winter season.

Conference to discuss Sephardi-Askenazi gap

Jerusalem Post Reporter

A conference on the social gap between Sephardim and Ashkenazim will be held next Sunday and Monday at the Van Leer Jerusalem Foundation.

The conference, entitled "Social Inequalities: The Way Out," is sponsored by the International Sephardic Educational Foundation (ISEF) and the American Jewish

Committee. The ISEF was established by Jews of Syrian and Lebanese origin living in the U.S., and since 1977 has awarded \$2 million in scholarships to 4,000 Israeli university students of Sephardi origin.

DOLLAR. — The U.S. dollar registered slight and mixed movements against major European currencies in quiet trading yesterday.

To our colleague
ELLEN GOLDMAN

We are deeply shocked by
the tragic death of your husband

GEORGE

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Management and Staff

مکان العمل

Katamon man gunned down

Post Reporter and Itim
A Jerusalem man was murdered yesterday morning in his apartment on Rehov Hanotrim adjoining an elementary school in Jerusalem's Katamon East quarter.

Neighbours of the murdered man, David Ben-Yishai, 25, said that at about 8:30, a car pulled up in front of the house. A young man dressed in an army uniform and armed with an M-16 rifle jumped out and ran along the path leading to the one-room apartment where Ben-Yishai had been living with his wife for the last half year.

Yishai apparently opened the door to the armed man, who fired six bullets at him at close range and then ran back to the car and fled from the scene.

At least two witnesses reported that they saw more than one person running from the apartment, and

police said they are seeking at least two suspects.

According to police sources, the dead man was "known" to the police, but had not been involved in criminal activities for some time. The police sources said that several avenues of investigation were being pursued, including the possibility that the killing was related to a neighbourhood quarrel.

Hundreds of children and their teachers were in the school adjoining the scene of the murder, which took place soon after the first bell of the day rang. Some children at the school were shocked by the news and feared leaving the building at the end of the school day, reported a parent.

Yael Binyamini, principal of the Givat Gonen school, said that none of the children heard the shots, but her staff, including a psychologist

and a child counsellor, is planning to "deal with the matter" this morning in class.

"It's not as if we haven't had to deal with the problem of violence in the past," said Binyamini, mentioning the Lebanon war as a subject the children at the Labour Zionist-oriented school have discussed in their classes.

She said that immediately after the shooting, teachers and other staff "guarded the children," and she praised the police for "their quick action."

A senior Jerusalem police source said that the juvenile department of the police had not been contacted by the school administration for any help on easing the concerns of the children. Another police source indicated that the police would be ready to provide help to the school if such advice were sought.



New Agriculture Minister Pessah Grupper signs price increase orders for subsidized products in his Tel Aviv office yesterday. (IPPA)

Two slain at Beersheba absorption centre

By LORA MORIEL
BEERSHEBA. — A 49-year-old immigrant from Ethiopia was arrested yesterday on suspicion of killing his 40-year-old wife and six-month-old baby girl with a switchblade at an absorption centre here yesterday morning. He allegedly also wounded his mother-in-law in the arm and tried to kill his older daughter.

People who came running after

hearing cries and groans found a man in one of the apartments threatening a girl with a knife. In the room a woman lay dead, a baby was dying, and another woman was wounded.

The baby was rushed to Soroka Hospital but died on the way.

The man, who had apparently come from Ma'alot to Beersheba, where his wife was visiting her mother, admitted killing her, but

not the baby, police said. He is being held for further questioning.

People at the absorption centre expressed dismay at the fact that the body of the murdered woman was left on the floor of the apartment for more than five hours.

Senior police officers explained that the delay in removing the body was because they had to bring in a mobile laboratory and to reconstruct the crime.

Veteran victim of drug, extortion ring

By MICHAEL YUDELMAN
Jerusalem Post Reporter
TEL AVIV. — A disabled war veteran was forced to surrender his car to a criminal in payment of debts incurred by drug consumption, as part of an extortion and protection racket exposed by the police this week.

The criminal — who was the war veteran's drug supplier — a tennis umpire, his wife and two other men were arrested on suspicion of being involved in the affair.

The veteran — a 27-year-old Tel Aviv resident who was wounded in the war in Lebanon — began using heroin seven months ago and went

into debt. His drug dealer took the car which the man had bought six months ago with his rights as an army invalid and transferred it to a Ramat Hasharon tennis umpire. The police suspect that the umpire was to have sold the car for the drug dealer.

The car was found yesterday in the parking lot of Ramat Hasharon's tennis centre. A police search in the Tel Aviv home of the 41-year-old umpire revealed the disabled war veteran's driver's licence, other documents belonging to the car and hashish weighing 21.5 grams. Both the umpire and his 30-year-old wife were arrested for questioning.

Man collapses, dies in Haifa bank branch

HAIFA. — A 60-year-old man collapsed and died in the Hanevi'im branch of Bank Leumi here yesterday morning. The emergency crew of an intensive care ambulance tried unsuccessfully to resuscitate the man, Yitzhak Berman, for 45 minutes.

The manager of the bank at 4 Rehov Herzl, one of the busiest Bank Leumi branches, said that the man had an account there.

Givat Olga man gets 2 years for indecent acts

NAZARETH (Itim). — A Givat Olga man was yesterday sentenced by the district court here to two years in jail and a two-year suspended sentence after being convicted of committing indecent acts on yeshiva pupils.

Meir Ohion, 22, was convicted by a three-judge panel of appearing last June in the Hessed Avraham Yeshiva in Meron and, after asking to sleep there for the night under false pretences, committed indecent assaults on at least five 10- and 11-year-old pupils.

Ohion pleaded guilty.

Gov't officials contemplate increased unemployment

By CHARLES HOFFMAN
Jerusalem Post Reporter

The crisis of confidence in bank shares and the planned cut in the government's budget have raised the possibility of higher unemployment in the months ahead, according to an official at the Ministry of Labour and Social Affairs.

Several months ago the ministry set up a special team to plan steps to alleviate the unemployment likely to be caused by the planned IS60 billion cut in the government's budget. After some initial spade work assessing the possible repercussions of cuts in manpower in the public sector and in defence industries, the planning ground to a halt when former premier Menachem Begin announced his intention to resign.

The head of the ministry's manpower planning authority, David Katz, said in an interview yesterday that the current bank share crisis may set off a chain reaction that reduces the amount of credit at the disposal of businesses and consumers. This would generate unemployment by reducing demand

for finished products and raw materials.

He said that the precise economic implications of both the planned budget cut and the bank share crisis must be clarified before concrete steps on the national level can be proposed to alleviate unemployment. Unemployment insurance provides a "first line of defence" until plans are formulated and put into effect, he said.

Katz said that contingency plans have already been worked out for development towns, which are socially more sensitive to higher unemployment, and already have jobless rates twice as high as other parts of the country.

The suggested measures include extending the period for unemployment grants beyond six months, subsidizing employers to keep on workers for a specified time which they otherwise might have laid off, and the creation of new jobs. Least likely to be adopted, Katz said, would be public works projects. The particular package of measures to be adopted would depend on conditions in each locality.

8 charged with smuggling cocaine

TEL AVIV (Itim). — Eight men were charged yesterday in the Tel Aviv District Court with smuggling into Israel and distributing 1.3 kilograms of cocaine from Bolivia.

The eight — Hillel Kornfeld, 35, Simon Smadja, 28, Ido Ben-Yosef, 26, Yosef ("Gussa") Wilf, 35, Nathan Gabbai, 22, Avraham Hadai, 22, Zvi Steiner, 22, and Mahmoud Kundus, 20 — were charged with bringing in

the drug in imported cans of fruit.

After collecting the cans at Ben-Gurion Airport, the accused divided the cocaine into packets of 100 grams to facilitate sale.

The prosecution asked the court to order the detention of the accused until the end of the trial. The judge did not decide on the request immediately.

Buyers pounce on flats before they are built

By AARON SITNER
Jerusalem Post Reporter

Bread, flour and cooking oil were not the only goods grabbed up yesterday by price-conscious consumers. In offices of Jerusalem building contractors, yet-to-be-built housing was said to be "going like hot cakes."

The public's interest in new flats was as a haven for savings emerged a few days ago, when the crisis over the sinking value of bank shares erupted. Yesterday's massive devaluation fuelled that attention.

Interest was particularly strong in flats going up in Pisgat Ze'ev, the new suburb being developed in northeast Jerusalem. With seven potential buyers vying for each flat being built, contractors accepted orders on condition that delivery of the completed flats would be made on the basis of a lottery.

Some of the builders said they would absorb half the burden of

devaluation if buyers came up with the total purchase price in a "reasonable", specified time period.

Elsewhere in the capital, builders reported selling about 50 flats yesterday — about five times the usual number — according to a source in the Jerusalem Builders and Contractors Association.

In a project of villas and cottages in the Ramot district called Neveh Shmuel, about 55 per cent of the units have already been sold since construction began three months ago.

Mordechai Yona, chairman of the association, reported that overseas interest is also rising, with potential flat purchasers realizing their money is now worth considerably more in Israel. To maintain this foreign interest in Jerusalem home ownership, special sales promotion may be held in Britain and France, he said.

Occupants of new flats in J'lem live without electricity

By JUDY SIEGEL
Jerusalem Post Reporter

The first seven families moved into Jerusalem's Har Nof quarter yesterday after months of waiting for the completion of infrastructure work, but their power is being provided by a private generator because electric lines have not been connected.

The families, many of them desperate to move because their short-term rental contracts have run out or proved too expensive, are without any public transportation or services. The quarter, overlooking Ein Kerem and the Jerusalem Forest, was the first in the country to be developed entirely by private contractors. Nearly all of the 2,000 families scheduled to move into phase one of the quarter are Orthodox.

One family has been living illegally, but with the contractor's permission, in an apartment without any electricity for several days. The family, which had nowhere else to live, has been using candles.

The seven apartments occupied yesterday, in a building at the entrance to the quarter, were hooked up to water lines in the

afternoon. The contractor obtained an electric generator and scrounged for petrol, having difficulties due to the run following the announcement of impending drastic increases in fuel prices.

Mordechai Yona, chairman of the Jerusalem Contractors' Association, which initiated the building of the quarter and is responsible for most of the infrastructure, said that electric lines are in place, but the Electric Corporation will not switch on the power to the newly occupied building because the municipality has not provided the proper authorization.

The municipal authorities decline to provide the contractor with "Form 4," allowing the hookup of electricity, because the Israel Lands Authority has not yet completed the access road to the quarter. Egged refuses to send buses in until the road is completed, and the lands authority, maintaining that its road contractor is bogged down in delays, says that will take until the end of next month.

The coveted authorization cannot be granted until the municipality determines that there are no building violations, and that the buildings are completed.

Yavneh man, 22, charged with rape

TEL AVIV (Itim). — A resident of Yavneh was charged in district court here yesterday with raping a young woman and forcing her to commit an indecent act. The man,

Clema Smadja, 22, is accused of taking the woman to a Tel Aviv apartment under false pretenses in August and then raping her repeatedly.

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Iran renews threat to close Gulf

TEHERAN (Reuters). — Iran has renewed its threat to close the Gulf, cutting off about a sixth of the non-communist world's oil supplies, if Iraq disrupts Iranian oil exports, the Iranian National News Agency, IRNA reported yesterday.

IRNA said the warning was given in a statement by parliamentary speaker Ali Akbar Hashemi Rafsanjani. It was the first official declaration of Iranian Gulf war policy since French reports on Friday that France had gone ahead with the delivery to Baghdad of five Super-Éclair fighter-bombers armed with Exocet missiles. Rafsanjani said that Iran has the capability of blocking the Persian Gulf, and it will do so in case the export of Iranian oil is hindered, IRNA reported.

"This is not blackmail or a mere threat. We do not

want to do so and we hope it will not happen," Rafsanjani was quoted as saying.

In another development, jailed leaders of Iran's outlawed Tudeh (Communist) Party described in new televised confessions how they collected military and political information and handed it over to the Soviet Embassy here.

Gholam Hossein Qaempanah, a member of the party central committee, said that after Iran's 1979 Islamic revolution, the communists set up a commercial company as a front for spying.

"The company compiled information and handed it over to embassy officials or Soviet secret agents. It received its financial and material needs from the Soviet Union," he said.

Violence in Burma after Sunday bombing

RANGOON (AP). — One man was shot to death, another was seriously injured and a third escaped in two separate incidents near the Rangoon River yesterday as police continued their hunt for persons responsible for Sunday's bombing, which killed four South Korean ministers.

No evidence was uncovered linking any of the victims to the attack at Rangoon's Martyr's Mausoleum, the sources said. But all three men, described as light-skinned Asians who spoke neither Burmese nor English, tried to escape when police approached them, the sources said.

In the first incident, police shot to death one of two men who ran after throwing a grenade at them when

police tried to search their bags in Thakhtwa village, 13 kilometres south of Rangoon. Residents of the village on the bank of the Rangoon River had alerted police to what they considered suspicious-looking men, sources said.

The other man escaped into a nearby jungle, police said. Two of the four policemen were seriously injured in the grenade explosion.

In the second incident, government security officials apprehended another non-Burmese Asian who tried to blow himself up after police spotted him on Monday night as he rowed down a Rangoon creek in a stolen boat. The unidentified man, who was also described as fair-skinned, remained in a coma in a military hospital, hospital sources said.

Senator says Reagan to run, sees hard race

SEATTLE (AP). — U.S. Senator Paul Laxalt, general chairman of the Republican Party and President Ronald Reagan's campaign director, said this week he can "confidently

predict" that Reagan will run for a second term in 1984.

But Laxalt, who represents the state of Nevada in the U.S. Senate, said the president cannot be assured an easy victory.

Faulty radar blamed in downing of Korean jet

MOSCOW (AP). — An official Soviet source said yesterday that two of three radar installations on the Kamchatka Peninsula that should have been capable of detecting Korean Air Lines flight 007 on September 1 were not working, and the plane's intrusion into Soviet air space was not confirmed until it reached Sakhalin Island.

The source also said the air defence command reacted in confusion after flight 007 was discovered in Soviet air space, and Soviet commanders and pilots involved in shooting the plane down did not know it was a civilian craft carrying 269 people.

The official source also claimed that Soviet air defence commanders ordered the plane shot down because they had conclusive proof it was transmitting intelligence in-

formation to American installations.

The new information conflicts with the version of the incident given at a September news conference by Deputy Defence Minister and Chief of General Staff Nikolai Ogarkov.

He said Soviet radar first began tracking the plane before it reached Kamchatka, and that four Soviet fighters were scrambled from the peninsula in a vain attempt at convincing the airliner to land and explain why it was so far off course and flying over sensitive Soviet missile installations.

In New Delhi, U.S. delegates to the World Tourism Conference yesterday failed in their second bid to discuss condemnation of the Soviet Union for shooting down the South Korean airliner last month.

Cypriot leaders may meet despite independence threat

NICOSIA (Reuters). — The Cyprus government said a proposed meeting between President Spyros Kyprianou and Turkish Cypriot leader Rauf Denktaş is still possible despite fresh Turkish Cypriot threats to declare independence on the island.

Government spokesman Andreas Christofides said on Monday it was up to UN Secretary-General Javier Perez de Cuellar to call a meeting after consulting the leaders of the Greek and Turkish communities.

Turkish Cypriot newspapers quoted Denktaş as telling Turkish Cypriots in London that he would have no alternative but to declare independence if Kyprianou did not meet him within three weeks.

Christofides said the door was not closed on a meeting between the

two leaders, but added that it should have a good chance of success before being called.

He told foreign reporters on Friday that the government believed Denktaş wanted a meeting to declare an impasse in Cyprus which would give him a free hand "to go his own way, whatever that might be."

Perez de Cuellar has announced a fresh initiative to break the deadlock in talks between the two sides.

It sets out two possible arrangements for a federal Cyprus, both of which involve land concessions by the Turkish Cypriots and one of which proposes that the presidency should alternate between the two communities.

France queries Libya detentions

PARIS (Reuters). — France asked Libya's diplomatic representative in Paris yesterday to explain why Libya is refusing to let about 30 French citizens leave the country, a government spokesman said.

But, this did not settle the issue, so French Foreign Minister Claude Cheysson planned to contact Libyan foreign liaison secretary Abdel-Ati Obedi, the spokesman said.

The spokesman said the confiscation in Tripoli last Sunday of the French nationals' passports as they were about to board a plane for Paris was a grave matter.

"The French government considers the case of the French citizens prevented from leaving Tripoli a serious matter and an unacceptable situation," he said.

Diplomats said the wording of the statement was unusually strong. Libya has given no official reason for the move, but informed sources said it could be linked to the arrest of a suspected Libyan terrorist in Paris.

The sources said French counter-espionage agents detained the man, Rashid Said Mohammed Abdullah, under an international warrant initiated by Italy.

Pakistan opposition head: elections now

ISLAMABAD (AP). — Influential Pakistani opposition leader Maulana Shah Ahmed Noorani demanded an end to martial law and immediate national elections in a meeting with president General Mohammed Zia ul-Haq, he said yesterday.

Noorani, president of the outlawed right-wing Jamiatul Ulema Pakistan (Religious Scholars Party

of Pakistan), said elections are needed in order to stop bloody widespread anti-government protests.

At a news conference, Noorani warned that the agitation could divide the nation and said "people all over Pakistan want an end to martial law, revival of human rights and parliamentary elections" which the Zia government has denied since it took power in a 1977 coup.

Thatcher backs love-affair lieutenant

BLACKPOOL, England (Reuters). — British Prime Minister Margaret Thatcher led the massed ranks of her Conservative Party yesterday in a public display of support for her beleaguered trade secretary, Cecil Parkinson.

But fresh voices inside the party called on Parkinson, married with three daughters, to resign over his confession last week that his former secretary is expecting his baby.

Thatcher, whose landslide re-election in June was masterminded by Parkinson as party chairman, joined in prolonged applause for him which broke out when his name was mentioned in speeches at the

start of the Conservatives' annual conference.

The 52-year-old trade and industry secretary has gravely embarrassed the government and the party by his revelations and cast a shadow over the conference.

As expected, he was not present as new party chairman John Gummer declared that the party owed Parkinson a debt of gratitude. Parkinson addresses the conference tomorrow.

Right-wing member of Parliament Ivor Stanbrook said in a statement that Parkinson should resign in the public interest.

Latest poll: UK conservatives lose support

LONDON (AP). — The ruling Conservative Party's lead over its main rival, the opposition Labour party, has been cut sharply since Britain's socialist elected Neil Kinnock as Labour leader, according to an opinion poll published yesterday.

Thirty-seven per cent of voters questioned favoured Prime Minister Margaret Thatcher's Conservatives.

That is 3 per cent less than the party commanded in June's general election in which Thatcher scored a landslide triumph for a second five-year term.

Thirty-two per cent said they supported Labour, eight points better than its rating in June and the party's best showing since the Falklands War last year.

Odessa accident pollutes water supplies

MOSCOW (Reuters). — An accident at a U.S.-built chemicals plant near the Black Sea port of Odessa caused a major pollution disaster last month, official sources in Moscow said yesterday.

Water supplies to most of the city of 800,000 had to be cut off for several days after ammonia and other chemicals were discharged into the river Dniestr and severely contaminated reservoirs, the sources said.

The Odessa authorities maintained essential supplies to industries and hospitals by shipping in fresh water in tanker vessels, they added.

The accident, in the last week of September, occurred at a giant ammonia processing and storage plant built by the U.S. company Occidental Petroleum in 1978.

Libya draws Holocaust 'parallel'

UNITED NATIONS (AP). — Libya's UN ambassador said on Monday his countrymen have the same right to indemnity from Italy for the ravages of World War II as Jews had to restitution from Germany for the Holocaust.

"What Hitler did to the Jews, Mussolini did with the Libyans," Ambassador Ali Treiki told a news conference. He announced that he asked for a General Assembly resolution to back Libya's claim for "a few hundreds of millions of dollars" in war damage from Italy.

Treiki said that 5,000 Libyans had been killed and 3,000 disabled during the war, in which Libya was a major North African battleground. Many of the victims, the ambassador said, were children killed by land mines. Five hundred Libyans, Treiki said, lost their lives in post-war, mine-clearing operations.

Sports

Shlomo ousted

By JACK LEON
Post Sports Reporter

RAMAT HASHARON. — Number 2 seed Shlomo Glickstein was bundled unceremoniously out of the Israel Tennis Centre's Volvo Grand Prix tournament yesterday by Colorado hydrologist Rand Evett 6-2, 7-6 (7-5). Hendrik Sundstrom, the number 1 seed, was forced to retire during his match against American teenager wonder Aaron Krickstein, who was leading 6-3, 1-0, when a recurring ankle injury compelled Sundstrom to withdraw.

At the end of the day the only seed surviving in the tournament is Colin Dowdeswell, a Rhodesian-born Britisher, the No. 3 seed.

Evett, a 29-year-old hydrologist ranked 254 on the ATP computer compared to Glickstein's 31, is a former doubles player who has only begun to concentrate on singles two years ago. He based his tactics on previous knowledge of Glickstein's style of play, using a superb serve and-volley game to remain always on the offensive. Although Glickstein was not as sharp as usual, the win was undoubtedly due to Evett reaching a real high.

He said afterwards, "My sponsorship is due to run out at the end of September. So this is a make-or-break year for me."

Krickstein, who has just turned professional, thrilled the 1,500 spectators as he reeled off a series of winners on both wings in a virtuoso performance.

Other matches: Shalor Perle beat J. Gruntz 6-0, 6-3; H. Thelsson beat M. Myburg 6-3, 6-2; Dowdeswell beat R. Chappell 6-2, 6-7 (1-7); J. Beck beat Z. Kalenay (retired No. 5) 7-6 (4-3); R. Gering beat D. Visser 6-4, 6-3.

Play starts at 11 a.m. today. Amos Mansoor will play S. Svensson of Sweden in the morning, and Shalor Perle will face H. Thelsson of West Germany in the afternoon.

Israelis rock Watford

Post Sports Staff

TEL AVIV. — Israel's Olympic soccer squad administered a shock 1-0 defeat yesterday to the famous English side, Watford, in a friendly match at the Bloomfield Stadium. This is only the second defeat that Watford have ever sustained in friendly matches abroad.

The young Israelis were full value for their victory, being faster on the ball, both on attack and in defence. The winning goal, scored by Eli Yanni in the 22nd minute, was a real gem. The Israelis carried the ball downfield in a series of delicate passes until it reached David Pisanti, the attacking "left back" moving down the wing. He evaded the defence and sent a classic centre for Eli Yanni to nod confidently past the hapless Eric Steele. Generally the Israeli defence rocked the Watford forwards by the speed of their tackling, followed by rapid shifts from defence to attack.

Outstanding for the Israelis were Pisanti and Parcellani in the defence, and Eli Yanni and Gil Landau among the forwards.

Watford began in great style, and until the 15th minute, enjoyed complete territorial advantage, with many chances squandered by wild shooting. The players seemed to have some difficulty keeping their footing on the Israeli grass. After Israel scored, an element of desperation seemed to enter the Watford game, players plunging forward into a ruck of Israeli defenders rather like rugby forwards, instead of swinging the ball in long passes in the manner for which Watford are famous. Only David Johnson played up to his reputation.

Four overtime

By DON GOULD
Post Basketball Reporter

The completion of the fifth round of National Basketball League games has resulted in the tightening up of the league standings, especially in the middle of the table.

Maccabi Tel Aviv continue to show the way but the high note of the night was undoubtedly at the Ussishkin stadium, where in a record-setting game — really a game and a half — a thoroughly exhausted Maccabi Ramat Gan finally won out over an equally exhausted and under-manned Upper Galilee in the fourth overtime, 105-100.

The two sides, entering the game with equal 2-2 records, matched each other all the way, but Carl Amos, Ramat Gan's remarkable centre made the difference. He pulled down 25 rebounds, scored 31 points and was devastating at both ends. Brad Leaf, with 32, took general scoring honours in leading the brave but eventually fruitless Upper Galilee effort.

The other Ramat Gan club Hapoel took over undisputed possession of second place, a slender 88-77 triumph of Afula-Ha'emek. Steve For Ramat Gan in place of Steve Haskovic, who was hit by a mysterious foul in the second quarter, and Steve Kaplan emerged from a slump to earn 18 points.

The champions tripped Maccabi Haifa 79-74. The home side rolled to a 10-point lead, but Maccabi Tel Aviv caught them to lead 36-35 at the half. After the interval they built up a 15 point lead before relaxing too much and allowed a fighting Haifa combination to claw its way back to within a handful of points of an upset.

Berkovits led the way with 28 points, Perry (18) and Brikovitsky (13) gave Haifa support by beating the efforts of the team. Terry (25) and Cook (21).



Ron Evett

(IPPA)

Soviets, China discuss troop withdrawals

PEKING (AP). — Chinese and Soviet negotiators met yesterday to discuss mutual troop withdrawals along the Sino-Soviet border, and deployment of Soviet SS-20 nuclear missiles in the Far East, foreign diplomatic sources said.

Soviet Deputy Foreign Minister Leonid Ilyichev has indicated to the Chinese that purchases of U.S. defensive arms and military technology by China would complicate discussion of mutual troop reductions during the current third round of Sino-Soviet consultations, they said.

The Chinese side said there would be no significant purchases of arms from the Americans.

China and the Soviet Union have agreed that the problem of Soviet support for the Vietnamese occupation of Kampuchea will be handled through separate consultations, said the source, who asked not to be identified.

The third round of Sino-Soviet consultations began October 6, and both sides agreed to formal sessions on Tuesdays and Fridays for two or three weeks, plus smaller discussions among experts, the sources said.

China says one of these major obstacles to Sino-Soviet normalization is the presence of 45 to 47 Soviet divisions along the Sino-Soviet border and Mongolia, and the presence of Soviet SS-20 missiles in the Far East. The other obstacles are Soviet support for Vietnam and the Soviet occupation of Afghanistan.

Baby prince triggers castle security scare

LONDON (AP). — Prince William, 16-month-old son of Prince Charles and Princess Diana, triggered a security scare at the royal family's summer home, Balmoral Castle in Scotland, when he pressed an alarm button in his nursery, the Daily Express reported yesterday.

It said police raced to the castle while security men sealed the grounds. But the playful prince's nanny, Barbara Barnes, sounded the all-clear when she found he had pressed the so-called "panic button" that activated an alarm in police headquarters in nearby Aberdeen.

Kohl ends visit to Saudi Arabia

JEDDAH (Reuters). — West German Chancellor Helmut Kohl left here yesterday at the end of a three-day official visit to Saudi Arabia after reiterating Western Europe's support for the right of the Palestinians to self-determination.

But he also stressed the right of all states in the area, including Israel, to exist within secure and recognized borders.

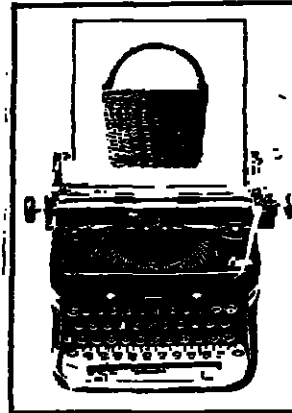
Kohl was speaking at a news conference just before his departure for home after a Middle East tour which included Jordan and Egypt.

Afghanistan rebels kill 22 soldiers

ISLAMABAD (AP). — At least 22 soldiers, either Soviets or those of the pro-Soviet Afghan regime, were killed and four Islamic insurgents took in battles last week, western diplomats reported here yesterday.

In the week's worst fighting, according to these sources, 12 Soviets were killed and six injured on October 2-3 in an ambush of a Soviet military convoy by Afghan rebels at the village of Durrani. The convoy was hit just south of the capital of Kabul, and two dozen vehicles were destroyed. Travellers from the area later reported seeing a large number of damaged Soviet vehicles.

Immediately after the insurgent attack, Soviet MiGs and helicopters called in from Kabul and Ghazni bombed Mujahideen guerrilla positions at Durrani, killing four insurgents and wounding three, the sources said. The village was "largely destroyed," but preliminary reports said only a few hundred civilians died in the raid.



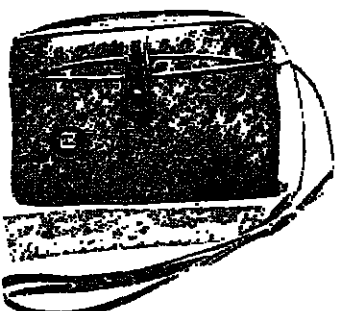
A GUIDE TO SHOPPING AND SERVICES

Thinking about purchasing new carpeting for your home this year? Why not take advantage of TRAKLINE CARMEL's grand sale of wall-to-wall carpeting now!

Here is the special opportunity you've been waiting for to purchase carpeting of top export quality for your home. When it comes to making a major purchase such as wall-to-wall carpeting for your home, the only place to go is TRAKLINE CARMEL. Special discounts for cash are available. Purchases can also be made in 5 instalments — no interest or linkage. RAMAT GAN — 13 Modi'in St. JERUSALEM — 14 King David St. HAIFA — Checkpoint junction.

FALL IS HERE!

Time to think about getting out your fall clothes packed away since last Spring. LILI DRYCLEANERS, having won the BEST BUSINESS AWARD for the last few years will clean and freshen up your wardrobe now, ready for the chilly days soon to come. At LILI's every garment is checked prior to cleaning (even those labelled with "manufacturers' instructions") so whatever the type and colour of the fabric, you're assured of perfect handling. They specialize in one-day service and, for an extra charge, you can even have EXPRESS service within a few hours. Your clothes come back looking like new. Remember LILI DRYCLEANING at 263 Dizengoff, Tel. 03-445629, 12 Sderot Masaryk, T.A. Dekel Cinema Passage, Shikun Bavli, 33 Ramot St., Monosson.



HANDBAGS UMBRELLAS ACCESSORIES

The newest and the most chic line of magnificent Italian handbags at ZARFATI's is FRANCA BERNARDI. These gorgeous bags come in a variety of the newest fall colours...in smart styles to suit the most discerning tastes. The all leather bags come in black, brown, bordeaux, grey and navy. The initialed fabric bags (coated with plastic), trimmed with leather, are a huge success. New at ZARFATI too, are the beautiful umbrellas by Colombo & Verri, just arrived from the best house in Italy. The popular ALBERTARIO bags and accessories for the fall have also just arrived including beautiful "James Bond" (attaché) cases for the men. So for the perfect gift be sure and come in to ZARFATI 8 Hah Yeh, Kikar Hamedina 269656

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WHAT'S NEW AT SMARTUTERIA

JERUSALEM-TEL AVIV BIG BIG SALE... This Saturday night October 15th at the Bnei Brak store only. SMARTUTERIA is clearing out all their summer stock to make room for their imported winter fashions waiting on the docks. Everything will be reduced from 20% to 50% off. For example, women's skirts will start at IS500, and ¾ sleeved cotton dresses start at IS1,000. Blouses and shirts for little children as well as sailor suits and beautiful hand smocked dresses (only IS550) are also on sale. For the Jerusalemites, the JERUSALEM store already has new winter fashions imported from the best cities in Europe, including the popular jeans skirts and jumpers from London. Specializing in very modern outfits for the religious women and girls. SMARTUTERIA has new things coming in all the time from the best fashion houses in Israel and abroad at very reasonable prices. SHOP SMART. SHOP SMARTUTERIA, BNEI BRAK, 106 Rabbi Akiva St. Jerusalem, French Hill Shopping Centre.

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The BUY-LINE is a weekly featured shopping guide serving residents of and visitors to Tel Aviv. To advertise in this column please contact SHULIE GUGENHEIM at the Jerusalem Post, Tel. 03-294222.

FALL AT FASHION FESTIVAL

Now is the time for the entire family to come to KOL BO SHALOM and take advantage of the big sale, starting this Friday, October 14th. New fashion items for the Fall Season will be on sale for everyone. In the WOMEN'S department... new from GOTTEX, elegant jump-suits have been discounted and now are only IS5971. Pleated skirts from England have been reduced 15% to IS2950 and all ladies' jeans are 10% off. In the MEN'S department brand new BAGIR suits for the fall season are only IS14,000 and famous corduroy slacks by DANIEL AXEL reduced 20% from IS2498 now only IS1990. VAN DYKE sport jackets are now selling for IS5500 plus a 20% discount on a variety of sweaters. In the COSMETICS department there is a 25% discount on all LON products. Prepare yourself for the cold winter nights by picking up a quilt discounted 20%. For the youngsters... TOPPER has now taken space in the KOL BO SHALOM on the 3rd floor... so in honor of their opening there will be special discounts for one week only. In the SHOE department, here is a chance for the whole family to get a 10% reduction on all shoes. For example, women's new fall shoes from Alexanders only IS3749. So you see now is the best time to come to KOL BO SHALOM and save some money for your fall and winter wardrobe needs.

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P.I.L., the only place in Israel for the most breathtaking, exquisite, decorative and functional light fixtures for any room in your home. Lamps, either table or floor, wall and ceiling fixtures, all in the most up to date European design and colours. P.I.L. will also help with good advice on all your lighting needs both inside and outside your home or office.

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מכאן אל תחל

Surprise of a winner

BARBARA MCCLINTOCK sought seclusion by picking walnuts after hearing the news on her radio at 7 a.m. She had won the Nobel Prize for medicine.

Later, she issued a statement that said she was overwhelmed at "such an extraordinary honor."

"It might seem unfair, however, to reward a person for having so much pleasure over the years, asking the maize plant to solve specific problems and then watching its responses."

Her genetic discoveries grew out of experiments with generations of corn plants.

Her initial response to winning the prize was to exclaim, "oh dear," and then walk out to pick the walnuts along a wooded path near her house on the grounds of the Cold Spring Harbour Laboratory, said the lab's administrative director, William Udry.

Before going out, Miss McClintock took a call from her niece by marriage, Winifred McClintock.

"She told me, 'I'm just leaving,'" said Winifred. "She wouldn't tell me where she was going. That's her style."

As to how she might use the \$190,000 prize money, niece Winifred said, "Last year, she said all she wanted were her glasses and her car. So last year she bought a new car after 30 years."

Udry said that when the slim, diminutive scientist returned from picking nuts, she commented, "I'm very pleased, but as little fuss as possible."

"A little overdue," was the reaction of James D. Watson, who shared the Nobel Prize for discovering the double-helix structure of DNA. Watson, the laboratory's director, commented from London, where he is on sabbatical.

Years ago, he said, people couldn't see the connection between her work and everyone else's, "so it's really that science caught up with Barbara."

Dr. Jonas Salk, who developed the polio vaccine and founded the Salk Institute, said from La Jolla, California, "This is a splendid demonstration that the Nobel

Committee does from time to time look back to see what they have overlooked."

Joseph Sambrook, the Cold Spring Harbour lab's acting director, said, "whenever scientists sit down with a beer, they talk about who might win the Nobel Prize. Her name's been mentioned over the last five years. It wasn't a total surprise, but it was still a great joy to everybody."

In 1981, McClintock won both the \$15,000 Lasker Award, the most prestigious American prize for medical research, and an award of \$60,000 a year for life from the McArthur Foundation. She has lived and worked at Cold Spring for 42 years.

Colleagues emphasized that she had carried out her work alone, unaided or supported by collaborators.

"This was something that was done exclusively and brilliantly by her," said Dr. Teresa Grotzicker, a friend and fellow scientist.

Genetic instability was originally discovered in corn, where it was found to cause altered patterns of pigmentation in the kernels. McClintock examined the relationship between the pigmentation pattern of the kernels and chromosome changes. Mobile genetic elements in bacteria have since been shown to play a role in the transmission of resistance to antibiotics from one bacterium to another.

In recent years, evidence has accumulated that transposition of genes or incomplete genes are involved in the transformation of normal cells into cancerous tumor cells.

McClintock, who started her scientific career as an instructor at Cornell, from which she had received a Ph.D. in 1927, became a National Research Council fellow at California Institute of Technology in Pasadena, California, and then a Guggenheim Foundation fellow at the botany institute of Freiburg University in Germany.

(Associated Press)

Search in the Sahara

By STEPHEN K. HINDY
Cairo

A fictional character based on the British army officer Orde Charles Wingate, who unsuccessfully searched for Cambyse's army in the '30s.

THE FATE of the army is one of the great mysteries of Egypt's 7,000-year-old civilization.

King Cambyse, son of Cyrus the Great, conquered Egypt's pharaonic dynasty in 525 BCE, and dispatched an army from the ancient Egyptian capital of Thebes, now known as Luxor, for the temple and oracle of Amun at Siwa Oasis, 1,000 kilometers to the northwest.

According to the Greek historian Herodotus, whose sources were the people of Siwa, "a southerly wind of extreme violence drove the sand over them." Herodotus said the army consisted of 50,000 troops, but Chafetz estimates a more realistic number is 30,000 — a third of them soldiers and the rest slaves, concubines, children, smithies, technicians, soothsayers, secretaries, hostages and drivers.

Chafetz says that the wind in which the army perished was the only southerly that blows in the Sahara — the hamsin.

Most of the army's route was across a flat plain of packed gravel that has changed little in thousands of years. Chafetz believes that the only place where the army could have vanished and stayed hidden for 2,500 years is in the great sand sea, an expansive maze of serpentine intersecting sand dunes, some of them 100 metres high.

CHAFETZ plans to pull his radar equipment across the dunes in the dunes. The equipment emits microwaves into the sand and detects any foreign objects up to a depth of 10 metres.

A wiry, energetic man, Chafetz and expedition co-leader Deanne Peterson, 32, of Decatur, Illinois, sold their idea to the Peabody Museum at Harvard University, the National Geographic Society in Washington, D.C., Egypt's Geological Survey, Boston's Museum of Fine Arts and the Brooklyn Museum.

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William Golding, who has just been awarded the Nobel Prize for literature, has been in the public eye for nearly three decades as a severe analyst and judge of his species in the perspective of twentieth-century events and knowledge.

If his works, in the words of the Swedish Academy, "illuminate the human condition in the world today," the result is largely "Darkness Visible" (the Millicent title of his most recent novel but one). The occasional light that does blaze into his infernal landscapes is provided by a moral and religious vision, which is fiercely traditional at heart. It is a world in which humankind has eaten of the tree of knowledge and "fallen" from innocence, and appears guilty or doomed by the mere fact of selfhood.

Golding's first and perhaps still best-known work is *Lord of the Flies* (1954), which chronicles the reversion to savagery of a group of English schoolboys stranded on a tropical island. At first the boys attempt to organize themselves to provide for their possible rescue by keeping a fire going at the highest point on the island; but in the absence of supervising adults, social organization shades gradually into savagery.

The head of the band's first victim, a wild pig, is stuck on a pole as a totem, becoming the symbol of the "Lord of the Flies," the evil force that seems to control subsequent developments; eventually Simon and Piggy, the two boys who seem to represent goodness and reason respectively, are murdered, the latter symbolically falling from a tree.

At the book's close, the originally Eden-like island is set on fire, and the surviving boys are rescued just in time by the arrival of a ship. With the return of adult supervision, the most thoughtful of the survivors sobs over his new knowledge of the "darkness of man's heart" — a phrase that overtly recalls Conrad's *Heart of Darkness*.

Much of Golding's art in *Lord of the Flies* lies in making the reader see through the perspective of the struggling schoolboys. At the end, the rescuing officer sees a "kid" who "needs a bath, a hair-cut, a nose-wipe and a good deal of ointment."

Another shift of consciousness is used, with a far different intent, in Golding's second novel, *The Inheritors* (1955), which is told from the perspective of Lok, a member of a small band of Neanderthal humans, who are wiped out by a larger band of the "new men."

Lok and his fellow-Neanderthals are almost as inarticulate as William Faulkner's Benjy. Lok "thinks" in pictures; concepts are beyond him. Brief sentences of monosyllabic words transcribe his thinking, from which the reader must construct the interpretations Lok is incapable of making. For this reason *The Inheritors* is the most demanding of Golding's works.

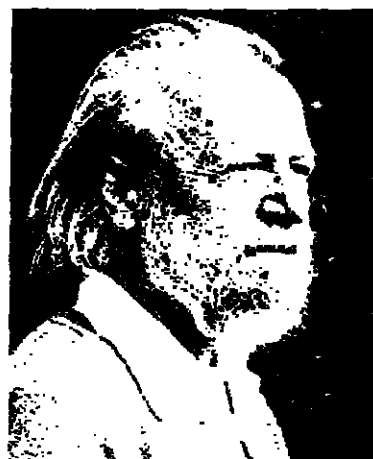
Lok's limitation is the limitation of innocence. Non-violent themselves, the Neanderthals do not grasp the savagery of the newcomers until it is too late. When an arrow is first shot at him, Lok takes the "twig" for a gift.

THE HERO of Golding's third book, *Pincher Martin* (1956), is clearly a descendant of the inheritors. We first meet him as he struggles for life in heavy seas after the torpedoing of his ship; we are plunged into the time into the consciousness of a man struggling for life.

He appears to reach an island, a desolate rock, which he determinedly explores for six days, during which the reader becomes acquainted with him through his reminiscences. Gradually we come to realize that a Christopher Hadley (Pincher) Martin is a thief, an adulterer, a rapist, and the

A judge of his species

By LEA TANZMAN / Special to The Jerusalem Post



William Golding

In this book, too, symbolism of the "fall of man" and the "tree of knowledge" is rife. The cannibalization of Lok's daughter Liku by the newcomers occurs beneath a tree where Lok and his mate Fa are hiding; Fa is later carried over the nearby waterfall clinging to a tree. After the death of Lok, the last surviving Neanderthal adult, the point of view shifts to the newcomers. Syntax and word usage become "normal"; we are suddenly seeing the world again through our own eyes.

Yet this perspective is, in its way, as limited as the preceding one. The newcomers do not understand the innocence they have destroyed, any more than the Neanderthals understood them: the captured Neanderthal infant is regarded as a "demon," symbol of the unconscious forces the "new men" do not understand. Like *Lord of the Flies*, *The Inheritors* ends with a reminiscence of Conrad, a glimpse into a future where it is impossible to see if "the line of darkness has an ending." The new men's progress in consciousness and technology at the price of innocence is hardly enlightenment. Knowledge seems more or less equated with aggression.

THE THEME of the self-deception and the reality of religion is taken up in Golding's next work, *The Spire* (1964). Its hero, Jocelin, the 14th century Dean of Salisbury, is obsessed by an ambition to rebuild the cathedral and add a spire, which the foundations are not strong enough to bear. Jocelin mistakes this ambition for spirituality, but Golding provides a Freudian commentary by having one of the builders "obscenely" dangle the model of the spire between his legs. Jocelin himself is vaguely aware of the "cel-

larity" of his mind — a layer of motivation he cannot consciously acknowledge. His persistence results in the death of four people, including the woman he secretly desires. Yet Jocelin unlike Sammy, is able to ask forgiveness of a surviving victim, and attains a beautiful vision at his own death.

With *The Pyramid* (1966), Golding's allegories and experiments focus on ordinary experience; the first-person narrative chronicles the adolescence of a clever, but rather snobbish and opportunistic young man in a stuffy small town aptly called Stilbourne. His two main encounters are with Evie, the town "sexpot," a victim of incest, and Miss Dawlish, an unattractive and talentless music teacher exploited by a man who never condescends to become her lover. In the last section, at maturity, the narrator has gained enough insight to perceive his own lovelessness and that of Miss Dawlish's favourite; but — a typical representative of society — he knows that he will continue to concentrate on his own survival and "never pay more than a reasonable price" for his own faults.

In *The Pyramid, The Spire, Free Fall, and Pincher Martin*, women frequently figure as innocent and loving victims of man's aggressiveness, and are sometimes associated with a potentially redemptive force. *Darkness Visible* (1979) reverses this polarity.

Matty, a boy hopelessly disfigured during the bombing of England, is driven into a God-haunted solitude. Angelically beautiful twins, Sophia and Toni, react to childhood neglect by becoming, respectively, a gangster and a terrorist. In an attempted kidnapping, masterminded by Sophy, Matty loses his life but saves the intended victim, and in the last scene, he appears as a symbol of redemptive love in the vision of a dying pedagogue.

In *Rites of Passage* (1980), a sea-voyage story reminiscent of Melville, the emphasis is on the failed encounters between men; the story is told in the writings of two narrators, Edmund Talbot and Reverend Colley, who fail to understand each other, and the plot centres on the exposure of the Reverend Colley's homosexuality and his death from shame (the time is the 19th century). As in *The Pyramid*, a final opposition is drawn between those whom a spark of passion brings to ruin and the self-seeking survivors.

BESIDES HIS novels, Golding has published two collections of non-fiction, *The Hot Gates* (1965) and *A Moving Target* (1982). The latter concludes with an essay, "Belief and Creativity," which is a stunning statement of Golding's artistic credo. He writes:

"To be in a world which is a hell, to be of that world and neither to believe in nor guess at anything but that world is not merely hell but the only possible damnation; the act of a man damning himself."

For Golding, as for Dante, the creative imagination offers hope of an exit from hell: "I guess it is a signature scribbled in the human soul, sign that beyond the transient horrors and beauties of our hell there is a Good which is ultimate and absolute."

The writer is a Ph.D. candidate in the department of English at Hebrew University who is writing a dissertation on the works of William Golding.

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Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Heshvan 5, 5744 • Mubarram 5, 1404

Nation that needs rescue

IN THE ABSENCE of national frenzy and mourning over more than 500 dead sons in Lebanon, there is something distinctly wrong and deformed in the present public frenzy and mourning over money.

Why is it that Mr. Aridor is now effectively disgraced, but Mr. Sharon and Mr. Eitan can proudly strut the public stage? Were his blunders greater and more important? And is the Likud's standing in public opinion to plunge because of economic mismanagement, when it did not plunge because of its woeful adventure in Lebanon?

It should be plain by now, even to the most worshipful of Mr. Begin's followers, let alone the fellow travellers of the coalition parties, that the economic crisis is a direct consequence of the policies and priorities of Mr. Begin's reign. Those who did not bemoan the misconceived war, and its costs in lives, should not now bemoan its costs for the economy. Those who did not stand up against the misconceived settlement in the West Bank, and its burden on the economy, shouldn't cry now about looming unemployment. Those who did not denounce Agudat Yisrael's raid on the public treasury, should not now lament the further collapse of their shekels.

Unfortunately, it is not at all clear that the lessons have been learned. Desperate Likud functionaries are already busy blaming Labour, the Histadrut, Mr. Peres — as if they were the architects of national policy since 1977. And desperate Likud victims of the policy may even buy the argument, however grotesque.

The government itself has certainly not learned the lesson. It will apparently throw Mr. Aridor to the wolves, and then assume it can carry on with business as usual, with a dose of austerity.

But the crisis is too serious for that. To prevent utter economic bankruptcy more is needed than the inept rescue package the Cabinet authored on Monday night. Devaluation and lower subsidies will have no lasting significance unless they are accompanied by substantial severance of the resultant price increases from the linkage system. Such a severance can only be achieved by agreement with the labour unions. A finance minister who has lost his authority cannot accomplish that. And a government that wishes only to dun wage earners, but not alter its national priorities and their costs, will also not accomplish that in a nation where these priorities are not subject to a broad consensus.

Thus, Mr. Shamir's new government is trapped. It can offer only palliatives for a crisis that will deepen.

There is only one way out and that is elections. The people must be asked to address themselves to the national policies which have led the nation to its present circumstance. Such elections should mean political change and economic reform. But if they would not, if they were merely to reproduce today's divisions, the party system itself would have to be scrapped for a national coalition to rescue the nation from itself.

Panic at the top

WITH EACH passing day it becomes more apparent that the Treasury's management of the bank crisis has been amazingly incompetent.

The public's rush to dump bank shares for dollars was caused by a fear of devaluation. Mr. Aridor responded stubbornly by renouncing devaluation. He would not be stampeded by the public. But such a devaluation would, temporarily at least, have quelled the pressure on the banks, and have given the government time to work out a measured solution for the bank share problem together with a larger economic reform package.

Instead, the Treasury, refusing to devalue, engineered a massive loss of faith in the banks. That only further ignited the public's frenzy to buy dollars, undermined public trust even in other government-supported investment instruments, and finally forced the Treasury to devalue in any case, causing total disarray in the public mind.

Yesterday, the nation's bankers sought to assure the investing public that the damage was not great, that panic was irrational, that the bank shares in fact, if held till due, would under the new arrangement turn out to be good investments.

They may well have been right. For it now emerges that the Cabinet, in its own panic and confusion, has restored the gilt edge to the bank shares by linking them, at the last minute, to the value of the dollar before devaluation, rather than after, meaning a 23 per cent windfall for shareholders. But it is the state which will have to foot the bill, because the bank shares have now been virtually underwritten by the Treasury. Where Mr. Aridor or his successors are going to find the money, when the bank shares in their new form eventually come due, is anybody's guess. What is not a guess is the inflationary impact of this panicky act and the muddle-headed process of decision-making which led up to it.

STRIKE ON SUNDAY

(Continued from Page One)

Yisrael Kessar, organization department head Gideon Ben-Yisrael and Mapam's senior representative Naf'ali Ben-Moshe.

The Likud faction in the Histadrut also seemed to back the Alignment's opposition to cutting the C-o-L payments. One Likud leader, Zevulun Shalish, said his faction opposes the proposed cut as well as any government attempt to force its programme on the Histadrut. "If the government wants to (introduce) changes, it must negotiate the matter with the Histadrut, and introduce the change only on the basis of an agreement," he insisted.

The Likud yesterday forced Histadrut leaders to postpone an executive meeting which was to formally approve the strike — but maintained that it was just a procedural matter. The meeting had been scheduled for today, but the Likud argued that such meetings require 48-hour advance notice. "This is not a political exercise," Yaakov Shamai, another Likud leader, said. "We just didn't want the majority to

trample over the procedures," he added.

Mesheh and other leaders repeatedly referred to the finance minister's "arrogance." "He has lost all sense of shame," one central committee member said. The source recalled that Aridor had criticized the Histadrut for demanding compensation for only 80 per cent of the price rises and had advocated full compensation instead. That position had placed the labour federation in "embarrassing situations" in work places, the source said, and now, Aridor has the nerve to oppose all linkage.

Meanwhile, Yoram Oberkowitz of the Electric Corporation's staff committee and a member of a group of 13 powerful works committees said yesterday that its members will have to meet to consider their steps. He said he hoped the action will be coordinated with the Histadrut.

"THE INDIVIDUAL'S continuous exposure to uncertainty, created by expectation of government moves in the capital market, was one of the most pernicious side effects of the developments over the past two months," says a well-known figure in the financial world.

Rarely in the history of any country were citizens exposed to such a chain of events having a major effect on their financial existence, as has happened here over the past year. Early in 1983, the stock market experienced a major collapse, with values of securities falling by tens of percentage points, all in a period of one week. The only securities immune to the rapid price declines were the shares of the commercial banks.

The public was promised by the Treasury that devaluations would be maintained at a level of about 5 per cent. Most of the public was sceptical, but the Treasury kept its word. In February, the devaluation was 5.4 per cent, in March 4.9, in April 5.9, in May 6.5 and in June 6.4.

In July, the Treasury apparently began to have second thoughts about its devaluation policy. The shekel's value was overpriced in terms of the dollar. Israelis understood the game and hurried to take overseas trips and to buy imported goods. It made sense, as they were bought at prices which were lower than those of locally produced goods. In July the shekel was devalued by 7.1 per cent.

August marked the beginning of uncertainty and bewilderment.

IF EVER an affair was botched up, it is the manner in which the Treasury implemented its economic reforms. Without going into the merits or demerits of Aridor's "proper economics," or the efficacy of the present round of measures to redress the economy, one thing is sure — it could not have been handled more stupidly or brought about more serious repercussions.

From the moment it dawned on our economic masters that something had gone drastically wrong with the economy, it was obvious to everybody concerned that the first step back to sanity would have to be a drastic devaluation of the shekel. Once that realization had sunk in, it was normal for the minister of finance to deny that there was any intention of devaluating. Any minister of

Making of a tailspin

By JOSEPH MORGENSTERN

mostly caused by statements made by government officials. On the eve of the 7.5 per cent devaluation of the shekel in the early days of August, the public was assured by a senior Bank of Israel official that no devaluation was impending. Boom! The shekel was devalued next day.

Prior to the devaluation many sensed that the government would change the value of the shekel, and there was a massive buying of dollars. Many people sold shares that showed paper losses, and bought dollars. They bought "greenbacks," travellers cheques and anything with a denomination other than the shekel.

Thinking individuals were convinced that the privilege of buying \$500 in cash at any bank branch would be cancelled. The Treasury never did this. Millions of dollars were bought, and all at the expense of the country's foreign currency reserves. In effect, the government,

by intent or glorious neglect, was allowing the enrichment of the individual at the expense of the state.

While the share market continued to fall, the government at various times assisted the share market by injection of capital to support shares. This was done by means of the banks. Shares continued to fall and to levels which, according to expert opinion, were ridiculously low.

After Rosh Hashana, the share market put on a rally, but it was shortlived. Then the word spread that the government would have no choice but to devalue the shekel. No one knew how much the devaluation would be, but most were convinced that it was due.

At the beginning of October, the share market went into a tailspin. The non-banking shares were the first to be hit. However, due to an inability to establish trading conditions in many shares, these could

not be traded. The public was buying cash dollars and Patam dollars. The banks were continuing their policy of stabilization. While other share prices declined, the bank shares advanced in price.

The public accepted at face value the banks' pledge of a continuation of the stabilization practices and were further emboldened by Treasury pronouncements to the effect that it would not "hurt the bank shares."

A classic squeeze developed. The public began to off-load bank shares to pay for dollar purchases. The banks bought the shares from the public at rising prices. The public came back and sold ever greater quantities of bank shares. They were assured of their liquidity and they preferred cash in dollars to bank shares. The banks imported dollars from their subsidiaries and maintained their support. They apparently were encouraged by the Treasury pronouncements.

Over the past weekend, it became clear that the "squeeze" was over. The banks realized that they could not pacify a public whose appetite for dollars was insatiable and fuelled their continuous sales of bank shares. The banks capitulated, and agreed to cease their stabilizing practices. The Treasury agreed to effectively convert the bank shares to dollar or index-linked financial instruments.

Trading on the stock exchange was halted. Dollar buying continued. If the bank shares were to be dollar-linked retroactively, then

they were overpriced since they had shown gains of some 20 per cent above the devaluation of the shekel since the beginning of the year. It was obvious that when trading in bank shares was resumed, their prices would have to fall.

The Bank of Israel continued to announce that Patam, Israel residents' dollar accounts, would not be affected. Many individuals, including a successful Tel Aviv lawyer, were asking a question that found no answer.

"Those of us who did nothing and retained our investments, which included a high percentage of bank shares, will not be expected to bear a loss. Is this proper behaviour on the part of the government towards citizens who respect its dictates and do not participate in speculation?"

For many, the anticipated loss in the value of bank shares means the loss of their savings. Others have entered in contracts to buy apartments, whose prices are set in dollars.

The public is suffering from the effects of uncertainty. Outwardly we see a rush to buy durable goods, to somehow ward off the inevitable effects of the latest devaluation and subsequent inflation. What can be said is that the capital market has suffered a major crisis but will be strengthened by a government guarantee of a fair return for the hundreds of thousands of investors who hold bank shares.

The writer is a member of The Jerusalem Post editorial staff who specializes in financial matters.

The great snafu

By GEORGI ARAZI

finance worth his salt would do that. What was sheer madness was to convene the economic ministers' committee a week ago and decide to postpone the decision.

The consequences of that postponement were manifold and tragic. The worst was the run on bank shares and their conversion into

dollars. Several days elapsed before a stop was put to this by closing the Stock Exchange, but still people went on buying dollars as fast as they could. I do not intend to imply that the banks' share system was sound, but certainly the bank crisis would not have reached the proportions it has if the devaluation of the

shekel had been carried out overnight, as it should have been.

AS A SIDE bonus to the delay in devaluation, we are witnessing the most outrageous speculators laughing at everybody, having realized massive overnight profits, while the small investor, who tried to safeguard the value of his savings with the purchase of reliable shares, watches those savings shrink alarmingly.

But the snafu does not stop there. A decision was taken to reduce drastically the subsidies on basic products. Such decisions are normally implemented overnight. But not this time. A margin of 24 hours was given to consumers to stock up, not only on basics, but on everything else available in the shops, since a cut in subsidies in-

evitably causes a general increase in all prices. So yesterday there was a orgy of spending, involving many others, milling, pushing and shouting crowds at supermarkets and long queues at gas stations.

The crowning insult to the intelligence of Israelis was the self-satisfied interview of Minister of Finance Yoram Aridor on Kol Yisrael's morning news magazine. He patted himself happily on the back, proclaiming that the new programme had been in the Treasury works for six months, but that he had suffered in silence the attacks against him for doing nothing. God help us if the new programme had been in the works for a whole year!

The writer is a member of The Jerusalem Post editorial staff.

READERS' LETTERS

ACADEMIC FREEDOM

To the Editor of The Jerusalem Post Sir, — We, the undersigned participants in the International Symposium on Rural Society in the Middle East, currently in session at Birzeit University, wish to strongly protest the refusal of immigration officials at Ben Gurion airport to allow Ms. Anne Scott to enter the country on October 3. Ms. Scott, a British academic, is a participant in this symposium and was expected to present a paper on "Fertility in the Arab World and its implications for rural development." We feel the refusal to allow a colleague of ours to attend an international academic symposium on unsubstantiated and arbitrary grounds is a serious infringement of academic freedom and a violation of individual rights.

Furthermore, we feel that your article, "Alleged PLO activist turned back at Ben Gurion" (October 4) was highly misleading in that it reproduces unsubstantiated allegations by an Interior Ministry spokesman, but it fails to raise the most important issue of academic freedom. This is particularly surprising as it is widely known that Ms. Scott received an apology from

the Military Governor regarding the events of July 1982, when she was beaten by two army soldiers, and even your own article points out that "Scott's complaint was investigated by the IDF Adjutant-General's Office, and three weeks later the soldiers were convicted and sent to prison."

In addition, your article fails to point out that Ms. Scott was not deported in July 1982, but remained in the country for several months and left voluntarily in order to embark on a post-graduate course in the London School of Tropical Medicine and Hygiene. It is obvious that the Israeli military authorities in the West Bank had no cause to charge or deport Ms. Scott in July 1982. We are, therefore, concerned that the spokesman from the Ministry of the Interior can make such accusations about Ms. Scott without providing a shred of evidence.

P. GLAVANIS
and 12 other participants in the International Symposium on Rural Society in the Middle East
Birzeit.

LITTLE OLD LADIES

To the Editor of The Jerusalem Post Sir, — Haim Shapiro's "The meal before the fast" gave me heartburn; not because of the krepalach, but because of his chauvinist-male-pig witticism about little old ladies 60 and 70 years old: "Just remember that little old ladies 60 and 70 years old made this sort of dough every week."

Haim Shapiro, are Ezer Weizman, Yitzhak Shamir, Chaim Herzog, Shimon Peres, et al., "little old men" in your estimation? How old are you anyway? Old enough to know better if your mother or wife lets you mess around in her kitchen. Your grandmother, if she is blessed with long years, won't thank you for conjuring up such an image of womankind, past 60, and may still come after you with the rolling pin.

BELLA BRIANSKY KALTER
Cincinnati, Ohio.

Haim Shapiro comments: My apologies to Ms. Kalter and anyone else who might have been offended by a remark intended to convey in a few words that many elderly persons of the female sex regularly perform a task (rolling out noodle dough) which most young and middle-age people, of both sexes, find beyond their powers.

RECIPES

To the Editor of The Jerusalem Post Sir, — For some time I have been reading the menus and recipes suggested by Jeanne Weigal in Life style and Today, and have found them most interesting. I wonder if they are available in book form.

IRWIN HOLLAND
Jeanne Weigal is working on a book based on her recipes. — Ed. J.P.

AD FOR NOFIM

To the Editor of The Jerusalem Post Sir, — I am writing in reference to the photo taken in Kalkilya, showing a billboard advertisement for the new West Bank settlement of Nofim (your issue of October 2). The hutzpa and insensitivity shown by placing such an advertisement in Kalkilya, a West Bank Arab town, are shocking.

Equally disturbing was the misleading translation of the Hebrew writing on the sign which appeared in the caption: "Come and see the work being performed at Nofim." The correct translation is "Come and see facts (being created) in the region." The political implications of both the correct and incorrect translations, and the difference between them, speak for themselves.

SUSAN ELANI
Rehovot.

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tion to Reagan, he said: "My statement that he had reluctantly accepted Watt's resignation. From a rocky 1983 start by knocking off third-ranked Alabama.